TASK FORCE FOR STREAMLINING PROCESSES

WAYNE STATE UNIVERSITY

FINAL REPORT
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Background

The Task Force for Streamlining Processes at Wayne State University was formed on March 3, 2011. The Provost charged this Task Force to identify and examine systemic issues that impact the operational efficiency of the University. This included an assessment of policies and procedures across several key support areas. He also suggested that we limit our concerns to processes, and not specific people.

The Task Force met roughly weekly for approximately ten (10) weeks. Over the course of that time, presentations were solicited of the following groups: Facilities, Human Resources (HR)/Payroll, Purchasing, Sponsored Program Administration (SPA) and Travel.

The following report summarizes these deliberations and discussions from these meetings and presents recommendations for both short-term and long-term action items related to each area.

Facilities, Planning and Management

The Facilities, Planning and Management (FP&M) department is an extremely important part of the Wayne State University (WSU) community. It provides services related to:

- All university buildings and facilities' operations and maintenance
- Custodial services
- Grounds maintenance and improvements
- Construction of new buildings and facilities
- Renovations of existing facilities and functional modifications

The department uses full time, part time and contract services to provide all these necessary services to the WSU community.

The wide range of services, as presented above, require routine interaction between the FP&M personnel and the greater WSU staff, employees and administrators.

The Task Force for Streamlining Processes discussed various issues that the WSU community is often faced with regarding the operations and services of FP&M. The report of the task force on "Research Space and Facilities" prepared in 2009 was provided to the Task Force members as a part of background information for consideration in identifying the current issues and questions and to propose future improvements in the delivery of service.

The committee also invited Mr. James Sears, Associate Vice President of FP&M, for a presentation and open discussion of issues that can be further improved to alleviate the greater WSU community's perceived and real concerns related to FP&M services.

The concerns related to FP&M's delivery of services, as identified by the committee, are summarized as follows:

1. The turnaround time for major and minor renovations/modifications seems long and the customers (requesting individuals) are not informed regarding the expected length of wait time and the reasons for any delays.
2. The quoted/estimated costs are often high in comparison to competitive market prices and frequently require multiple e-mail exchanges before the estimated cost is agreed upon by all parties.
3. The initial quotation/estimates are often high, indicating that FP&M staff are either conservative or not sufficiently experienced to perform realistic construction/ renovation cost estimates.

4. The use of prequalified vendors (Engineers, Architects, and Construction companies) may be the cause of higher service costs due to lack of open competition. Furthermore, some of these vendors may provide unsatisfactory service.
5. Use of the lowest bid vendor from a small pool of prequalified bidders generally does not provide the best value to the owner.
6. The WSU community has many issues with the custodial services, in spite of recent significant improvements (past one to two years). These issues relate to the quality of service and supervision/oversight. While they are not systemic (they are sporadic and anecdotal), they often overshadow these improvements.
7. There are questions about productivity of the second shift of personnel and supervision of the custodial services.

Associate Vice President James Sears met with the committee and reiterated the recommendations of the 2009 "Research Task Force" and presented the status of their implementation. Whereas there have been significant improvements in FP&M operations, the core issues of high cost of renovation and delay are still felt by the WSU faculty and administrators. This issue alone has a profound impact on:

1. Providing appropriate facilities to the new faculty to be productive and successful. A newly hired faculty who is dependent on having laboratory/test facilities for research may lose one to two years' time trying to set up his/her research facilities, often due to the high cost of renovation and delay.
2. The agreed upon cost may require the iteration of two to three cost estimates between FP&M managers and various college and department administrators.
3. Such delays occasionally impact young faculty to be successful in the tenure and promotion process.

Considering all available information, this committee provides the following recommendations:

1. Implementation of the 2009 task force recommendations should continue as expeditiously as possible.
2. FP&M may set up an advisory panel who may from time to time review FP&M functions and provide a report to the Associate Vice President of FP&M.
3. FP&M should ensure that prices are consistent with the open market and that staff are available with experience in cost estimating and the preparation of design drawings as is done in industry. The performance of such staff may be measured by actual technical work.
4. FP&M should implement the "Best Value" contract award process rather than the lowest price from a small pool of prequalified vendors. This process has been shown to lower overall costs and minimize delay.
5. FP&M may consider the use of on-call contractor with pre-approved unit prices for minor modifications/renovations. This may even help eliminate some personnel. FP&M will be responsible for work inspection and measurement of quantities of work and approve invoices for payment. If necessary, the contractor may be a union shop.

Payroll

The Payroll Department at Wayne State University is charged with the most simple, yet critical aspect of the hiring process; namely, getting people paid accurately and on time. The presentation to the committee by representatives from the Payroll Department outlined several key tasks performed in this area, including: processing tax withholding and payment to various tax authorities at the local, state, and national level; processing paychecks, salary advances, and garnishments; providing employees with tax filing forms; setting up direct deposit and voluntary deductions, and properly debiting various University accounts. Each of these tasks is complex and fluid in nature as regulations and individual circumstances may change.

The Payroll representatives described how their office is structured with the onus for processing payroll transactions resting with ten employees who are themselves heavily cross-trained in all aspects of payroll processing. Their primary goal is to process payroll on the current bi-weekly system wherein all hourly and salaried employees must be paid. This process involves coordinating with various user updated computing systems at the University like Banner, EPAF transaction processing, and the Web-Time entry electronic time card system.

The Payroll Department also seeks to keep the wider University informed via its website where anyone may access information on pay schedules, employee withholding, and a host of frequently asked questions. Some innovations and future practices were outlined, including the move to offer 9-month employees the option to receive their salary over a 12-month period and efforts to improve the disbursement of mass salary increases to employees.

The issues raised by the committee were for the most part outside the Payroll Department's realm of influence. It was explained that Payroll is the end result of actions that begin at the Department and College level when the decision is made to hire someone. The role of the Payroll Department in the hiring process is contingent upon the timely and accurate processing of paperwork by Departments, Colleges, Human Resources, and Total Compensation and Wellness. Committee member Dr. Kessel's analogy of the 'black box' is an excellent one. Payroll does nothing without input from these sources and its output is a direct reflection of the quality of the information provided. If the information flowing into the Payroll Department is inaccurate, incomplete, or late, problems are the inevitable result.

It was discovered that the origin of the frustrations voiced by members of the committee emanate from Human Resources rather than Payroll. Some of the issues that Payroll cannot control are incorrect data, inadequate staffing, poor staff training, and paucity of accurate guides for processing employee assignments. Frustration is further compounded by the tendency for each unit involved in the process to blame the other for any problems that may arise. Some suggestions for improving the state of affairs in Human Resources were increased funding in the area and more comprehensive employee training.

Unfortunately, the representative from Human Resources was unable to attend.

Purchasing

In this summary, my intent is to aim for streamlining improvements with a commentary on what needs attention.

Purchasing has a variety of options for buying items, some more expeditious than others. A great convenience is the use of ProCards, but there are unnecessary limitations that need to be reconsidered.

Bidding for items costing more than $25,000 is required. An entry in the requisition can indicate the rationale for a 'sole source'. It is hoped that where a different source is chosen, there is some dialog first.

The new ProCard arrangement permits for purchases to $2000 with an upper limit of $5000 with approval from the Deans' office. This is a marked improvement as prices continue to increase.

The issuing of ProCards often involves a lengthy period between application and receipt. Perhaps this is a necessary element of the process. For purchases on grant accounts, the Cards necessarily expire on the last day of the grant. Where multi-year grants are issued, these should be automatically renewed in advance of the end-date so that several weeks to months to not elapse before new cards are available. Otherwise, work is impeded and this is not a satisfactory arrangement, especially in this highly-competitive era.
Since memberships are a necessary element of the academic process, this rule needs justification. Getting reimbursed involves sending a reimbursement form and having a check issued. All of this involves a considerable effort when one multiples the number of people by the number of societies.

There appears to be an unnecessary restriction with regard to membership dues. The regulation states that "Personal memberships require approval and are prohibited on a ProCard. Exception: Conference registrations or journal subscriptions that include membership dues will be allowed on the ProCard provided the Dean or VP submits written approval . . ."

There are additional stipulations regarding memberships:

> 'Professional Individual Membership Dues - Must have the prior approval of the respective Vice President or the Dean for School/College and must be considered essential for the furtherance of an established University business program and/or required for the exercising of the duties of the employee. Each such professional organization should be directed to have the University address as the official mailing address. Wherever possible, an institutional membership with multiple representatives (to receive publications) should be investigated as an alternative to individual memberships.'

The latter sentence is not applicable to scientific societies and its origin is unknown. All of this seems to place a major burden on the VP or Dean. It would seem that the Departmental Administrative Assistant could inspect memberships and ascertain whether the society in question is a genuine organization or something else.

Travel involves additional restrictions that appear to be arbitrary. "Meals: reimbursement for meal expense is limited to actual expenses, including gratuities and taxes as follows: Breakfast Actual expenses not to exceed $ 7.50 Lunch $10, Dinner $25. Total per day $42.50. A Dean or vice president may set lower limits within these guidelines for his/her particular unit." These numbers appear to derive from costs in 1980. For foreign travel, costs are expected to conform to State Department rules, so something similar needs to be in place for domestic travel. Ontario appears to be excluded from the State Department rules, for some unknown reason.

Mention was made that a web-site with clear information is needed to expedite purchasing questions. The report that a single person is currently responsible for travel reimbursements is disturbing.

Often, travelers are asked to provide detailed information on flight plans in addition to ticket receipts. The rules also state: 'Attach airline receipt or internet invoice supporting the cost of the airfare. Also attach a copy of the portion of the credit card statement showing where the airfare/fees were charged to your credit card account.' Is there some specific reasoning behind these requirements?

A further concern relates to the training of departmental administrative assistances/business managers who may need assistance in aiding faculty members in dealing with Purchasing regulations.

Sponsored Programs Administration (SPA)

The Sponsored Program Administration (SPA) Office within the Division of Research represents an integral aspect of the research mission at Wayne State University. SPA is responsible for the institutional oversight for Wayne State University's external sponsored programs. In this capacity, SPA provides service to three distinct groups: 1) faculty, 2) the University, and 3) the sponsors. Additionally, SPA's mission is to assist WSU faculty and staff in attaining funding from multiple sources. Just as important, after funds are awarded SPA is charged with ensuring that grant funds are utilized in a manner that meets both the institution's and the sponsor's expectations.

In order to achieve this mission, Gail Ryan, director of SPA, outlined to our committee both responsibilities and plans to implement such responsibilities in an effort to maintain the integrity of this Office. More specifically, Ms. Ryan highlighted the organizational levels of her staff, modes of communication between staff, departments, and investigators, and general aspects of compliance with federal or other sponsor's

guidelines. Emphasis was placed on the efficiency of training that her staff receives and the fact that a newly issued survey seems to indicate great enthusiasm and contentment with current SPA functions.

It was observed during the course of this discourse that, while Ms. Ryan and her staff undoubtedly work very hard to ensure that their mission is carried out and that all guidelines are strictly adhered to, certain disparities do exist between investigator perception and SPA official. For instance, the issue of disallowable costs raised concern as to whether the WSU interpretation of federal guidelines is perhaps too strict or even at odds. In a prior meeting with purchasing management it is noted that in order to purchase certain items SPA must sign off. There are multiple examples of where "after the fact" costs (i.e., those that are discovered at the termination of a grant which may be up to 5 years after initial purchase) then get incurred due to SPA regulations which supposedly mandate that these costs cannot be encumbered to a grant. This represents an obvious source of confusion. Further, there was concern raised over newly implemented effort reporting regulations which may be at odds with federal policy.

Overall, questions that remain from our committee are: how are new staff trained? Are mechanisms in place to assure continued training in the ever-changing environment in the extramural world? How is communication between investigator and SPA achieved and are there measures in place to ensure continued improvement in the stated communication process? Who, ultimately, is responsible for fixing a problem that arises (e.g., investigator, SPA, grant coordinator [GC], administrative assistant of department [AA], etc) and is this responsibility being shared? Should we reassess the demands placed on the individual investigator which seem disproportionate to the AA, GC, SPA personnel?

While we appreciate the on-going work of SPA, we recognize that the current survey, which seems to be the source of approval suggesting that SPA is on track, may be limited. We also suggest that communication breakdown and lack of continued training may be the source of problems which occur. Therefore, we recommend that SPA be more available to departments in more than just an ad hoc manner. Further, better attempts at partnering between investigator, AA/GC, and SPA should be made. Finally, we also recommend that better attempts to assure that all SPA personnel are trained in ALL regulations pertinent to individual grant programs are made to avoid complications at the end of a grant. On-going efforts to maintain training should also be carried out.

Huron Group

The Huron Group has been retained by Wayne State University to present a high-level assessment of a number of functional, non-academic areas to the President's Budget Committee. Their work is to take place in two phases: the first led to a mid-point assessment in mid-May, and the second will extend through the end of June with a "deeper dive" in a few, focused areas.

The Huron Group spoke with the Task Force for Streamlining Processes on April 20th before the mid-point of their project. In addition to sharing information about their credentials and their scope of work, they listened to feedback from the Task Force about areas of concern. Their scope of work was:

Specifically, Huron will help WSU to:

Review, analyze, and recommend improvements for university operations in the areas of:
- Purchasing, including strategic sourcing and procurement
- Accounts payable
- Travel/expense reimbursement
- Facilities, including maintenance, housekeeping, grounds-keeping, construction, and utilities
- Bursar and cashier operations
- Auxiliaries, including dining, housing, parking, mail services and bookstore offerings
- Admissions and financial aid processes
- Computers and Information Technology
- Human resources operations including hiring, payroll, and other critical HR operations

Provide an initial assessment of other revenue enhancement, cost reduction, and operational improvement opportunities in areas of the university not specifically outlined in (a) above, including:
- Advancement and development operations
- Budgeting and planning
- Enrollment management strategy and enhancements in net tuition revenue
- Student services
- Marketing

Since their mid-point presentation, the President's Budget Committee has asked the Huron Group to focus on these areas, and to prepare the following deliverables:

Area	Deliverables
Procurement	• Estimated, potential cost-savings • Suggested process flow and organizational design improvements • Review of technology to meet current and anticipated needs
FP&M	• Review of operations and optimized staffing levels • Future-state process maps • Energy conservation opportunities
C&IT	• Alternative centralization/decentralization operational and governance structures
HR Enrollment management Budgeting process Auxiliaries	• Suggested process flow and organizational design improvements

The Huron Group is scheduled to make its final presentation to the President's Budget Committee in mid-July.

Conclusion

There are several overarching themes relating to problems that the task force on streamlining processes discussed with representatives of the different departments.

Perhaps the most important might be labeled "mission ignorance." The mission of the university is one of instruction and research, primarily conducted by the faculty with the assistance of academic and nonacademic staff. The various administrative offices serve the academic mission—their "clients", if you will, are the faculty who need email, databases, climate control, clean facilities, binders and file folders, paychecks and expense reimbursements, and the students who need classrooms and all the support mechanisms that a campus provides (and the other administrative offices who also provide support). Often, it seems that employees in the various service offices are less concerned with providing timely services than they should be, perhaps out of failure to understand how their office relates to the broader university and hence how important it is to the functioning of the system. Things seem to continue to be done the

same old way without modifying to better address needs. Gender bias and anti-union bias may also be present.

One way to deal with these issues is to create a systematic orientation program for the newly hired and newly promoted. The orientation should not only teach specific skills needed for the particular job, but also cover the university mission, basic management skills, and the officer's role and obligations in respect of the collective bargaining agreements. The training about the relationship between their function and the core academic mission of the university should not stop with orientation, but should be periodic throughout their employment, to encourage better partnering with other offices and more responsiveness when problems arise. Evaluations should also reflect this broader sense of accountability by focusing on specifics of how the person responds to problems and how aware the employee is of the overall functioning of the office in relation to other offices on campus. There is some concern that internal promotions within offices may lack a thorough basis in merit and may rely too much on family or friend connections. If so, this makes orientation, training and evaluation even more important.

Another remedy would be to encourage more innovation and self-confidence at the bottom level of each hierarchy. Top-down management tends to maintain dysfunctional rules (because 'that's the way it's always been done') and often creates disincentives for the employees to find more efficient solutions to recurring problems. In a university where we are all working together to serve a common purpose, all the people should participate in developing new processes—people on the front lines have more experience with the issues and see the problems that recur on a regular basis, so management should encourage their participation in finding ways to address those problems. The university, in other words, should consider adopting a version of Ford Motor Company's "Quality Circles" to encourage its employees to be more active participants in resolving problems early.

An issue that came up in every session was the need to avoid communication pitfalls. There is a need for better communication in every direction—from manager to employee, between managers, and from employees in the administrative office to the faculty and staff in the schools and colleges who work with them. Too often, administrators communicate with each other but forget that the faculty member is the one who is seeking reimbursement, trying to complete a purchase of an important piece of equipment, or seeking help in checking the accounting on an item.

One tool for communication that could be more successfully used is the various websites. In particular, it seems clear that the university and the administrative offices need to improve their websites and make them more functional for those outside the offices who may not know exactly where to look for the information they need. Most websites are not readily accessible to outsiders: in many cases in our meetings, we learned that websites had features to respond to queries we raised, but they were not easy to find if you did not already know about them, essentially rendering them inaccessible. Each office should assess its website, including having faculty who use the office indicate what features work well and which ones do not. Those who update websites should be trained so that the updates do not end up making information less accessible. The university should develop an intranet, with sub-intranets for each department, so that the public and the university community can access the same information on the website, with additional university-only intranet links easily accessible.

Another method for improving communication is to create more opportunities for direct interaction. Several of the offices noted that they have begun some activities to interact better with the community they serve and with other offices. This partnering needs to be emphasized in each of the offices, and increased. For example, several offices noted that they are beginning to use survey tools to gather information about their offices so that they can address problems more quickly. Surveys are useful tools, but good design is essential to a survey's success, and each office must follow the survey with activities to address the problems that are indicated. Several offices also noted that they are visiting departments and talking directly with the staff in the departments that deal with them. Again, such visits are a good idea, but they cannot be done only once. Regular interchange with departments that use the services of the administrative office should be undertaken, so that personnel know who to call when a problem arises and so that there is a chance to raise issues in a personal setting. That kind of partnering will allow people to work out

problems much earlier, rather than isolating themselves on their own turf and avoiding dealing with the issue.

A related issue to both mission ignorance and communication pitfalls is accountability. People often do not know to whom to carry a discussion if the interaction with the original contact does not work out. Websites should provide an easily accessible and clearly understandable process for resolving disputes, with full contact information and any forms that are needed readily available. Employees should be instructed to facilitate the dispute resolution mechanism rather than stonewalling, so that problems get resolved quickly and the university's business can be implemented efficiently.

The fourth theme that ran through all of the meetings was the retention of dysfunctional rules or structures long after their rationale had been forgotten. Each office should periodically reassess how it accomplishes its work. It is important for administrative services to be open to changes as practical needs evolve. That means not only addressing each of the issues already outlined—incorporating information about the university mission, unions, and diversity issues in orientation and training; communicating better; holding people accountable by having a clear structure for taking issues to a higher level for resolution—but also encouraging more communication within the particular unit so that lower-level employees understand the overall function better and can provide ideas and issue spotting to assist managers in weeding out poor structures and replacing them with better ones. Perhaps the best example of this is the requirement that a faculty member have their credit card bill to show that a paid receipt from a hotel has indeed appeared on their bill. That rule suggests mistrust of faculty and in turn causes faculty to resent the business office for requiring such silly duplicative proof of the expense—a kind of proof that can delay reimbursement by as much as a month, depending on the billing cycle for the credit card. Periodic rule reviews, perhaps coupled with surveys of users to find out which rules are particularly irksome, could lead to both more efficient and happier processes.

It is clear that each of the offices we interviewed is concerned about improving processes. We believe that paying attention to these overarching themes can make a difference. Orienting employees to their role in a research university, training and evaluating them with attention to that role and their place in a structure that involves many constituencies and various unions will provide employees with a better sense of how their work fits into the overall university and help prevent the occasional problem from gender or anti-union bias. Focusing on better communications both internally and with all of the constituents who use the administrative service will make things run more efficiently. Websites, person-to-person sessions, clear forms, surveys—all of these are worthwhile endeavors that can improve communication on campus. Having clear lines of accountability that are transparent and open to all will also assure that problems that do arise can be raised to the appropriate level and resolved. And periodically reviewing the rulebook to see what rules are outdated a will enable offices to make practical changes in procedures that create better relations among users of the office while likely also saving money for the university.